

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 6711

BILL NUMBER: HB 1403

DATE PREPARED: Dec 12, 2001

BILL AMENDED:

SUBJECT: Physician and Nurse Continuing Education.

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FUNDS AFFECTED: X **GENERAL**
DEDICATED
FEDERAL

IMPACT: State

Summary of Legislation: The bill requires the Medical Licensing Board and the State Board of Nursing to adopt rules requiring physicians and nurses to report on license renewal forms any continuing education hours completed during the license renewal period. It also allows for random audits for verification of continuing education hours reported by physicians and nurses.

Effective Date: July 1, 2002.

Explanation of State Expenditures: This bill could increase expenditures of the Health Professions Bureau (HPB). The amount of the increase is unknown and dependent on how the agency notifies license holders of the requirements of this bill, and any additional meetings by the Medical Licensing Board to adopt rules for the reporting of continuing education on renewal forms that are necessary.

This bill allows the Health Professions Board to randomly audit between 1% and 10% of the practitioners who report continuing education hours on the license renewal form. To implement an audit, the Health Professions Bureau indicates that it would need to do the following: create a random audit list, notify the selected practitioners by certified mail, review the verification of completion and send follow-up correspondence to those who are either in or out of compliance. The added cost of postage (the cost of certified mail is \$2.97) and stationery would depend on the size of the audit sample.

As of November 2001, the HPB employed 52 authorized full-time staff members with 6 vacancies. Ultimately, the source of funds and resources required to satisfy the requirements of this bill will depend upon legislative and administrative actions.

Explanation of State Revenues: The provisions of this bill could affect revenue collected from license fees of health professionals if the modifications change the number of individuals who qualify for licenses. It is estimated that the overall impact will be minimal. In FY 2001, approximately \$1.4 M in revenue was

collected from physicians and nurses for licenses and other fees. License fees collected are deposited in the state General Fund.

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Health Professions Bureau.

Local Agencies Affected:

Information Sources: Barb McNutt, Health Professions Bureau, (317) 233-4406.